

**Resolution approving subordination of mortgages in connection with the Central Park of Gahanna
(Economic Development & Planning)**

WHEREAS, The Central Ohio Community Improvement Corporation (COCIC) granted a mortgage to the County of Franklin, Ohio to secure a \$200,000 loan to COCIC, and the County also received a \$2,600,000 assignment of mortgage held by the Community Improvement Corporation of Gahanna to secure its loan from COCIC, collectively representing obligations of COCIC in the amount of \$2,800,000, with a priority mortgage lien on the property and fixtures of COCIC;

WHEREAS, the County of Franklin, Ohio has a Memorandum of Option to purchase mortgaged property owned by COCIC that is the subject of these 2 mortgages and currently holds a priority mortgage lien position;

WHEREAS, COCIC and Value Recovery Group, Inc. caused the formation of the Depot Golf Center, LLC for the purpose of constructing a golf clubhouse building at Central Park of Gahanna;

WHEREAS, COCIC owns the underlying property where the golf course at Central Park of Gahanna is located, which is subject to the priority mortgage lien position of the County;

WHEREAS, COCIC transferred 1.178 acres of property to the Depot Golf Center, LLC for the purpose of constructing the golf clubhouse building for the golf course at Central Park on property described herein;

WHEREAS, Value Recovery Group, Inc. has entered into a mortgage with Depot Golf Center, LLC for the amount of \$300,000 for construction of the golf building;

WHEREAS, Depot Golf Center, LLC is entering into a construction loan with The Arlington Bank in the amount of \$250,000 whereby The Arlington Bank requires a first mortgage lien upon the 1.178 acres transferred from the COCIC to the Depot Golf Center, LLC.

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NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS, FRANKLIN COUNTY, OHIO, that

in consideration for funding the completion of construction on the golf clubhouse building, the County of Franklin will subordinate

- a) its mortgage securing \$200,000,
- b) its mortgage securing \$2,600,000,
- c) its Memorandum of Option on the described 1.178 acres now owned by the Depot Golf Center, LLC
- d) its Financing Statement granting a lien on all property that is or will become a fixture to this property

to a mortgage by The Arlington Bank in the amount of \$250,000 that is intended to be the first mortgage on the property.

The County will further subordinate its mortgage lien on the 1.178 acres to the mortgage between Value Recovery Group, Inc. and Depot Golf Center, LLC in the amount of \$300,000, which is intended to be the second mortgage on the property as described herein.